



# **FY 2014 BUDGET PUBLIC HEARING**

**Mayor and City Council  
Meeting  
April 15, 2013**

# BUDGET OVERVIEW

- Does not propose tax increase
- Budget aligned to priorities identified in Strategic Plan
- Use of reserve funding and reallocation of Capital Improvement Plan (CIP) funds allow for focus on:
  - Restoring/maintaining levels of service
  - Moving forward with several capital projects
  - Restoring proper replacement funding

# POTENTIAL BUDGET IMPACTS

- Full effects of sequestration remain undetermined
  - Potential mid-year issue
- Impacts of Affordable Care Act may be significant
- 5-Year revenue projections could still be impacted by State-level deliberation on:
  - Future of speed camera operations
  - Allocation of Highway User Funds
- FY '14 results will not likely approach FY '12!

# TOTAL BUDGET

Operating	\$49.7 million
Capital Improvement Plan	<u>\$ 6.9 million</u>
Total	\$56.6 million

*Represents 9.9 percent increase over FY '13 budget*

# REVENUE

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# REVENUE

- Budget increase before reappropriation of reserve funding  $\approx 2\%$
- Revenue Trends:
  - Expect local tax revenue to remain relatively flat
  - Anticipate slight decrease in licenses and permits revenues in FY '14 due to “pipeline” projects commencing in the current year
  - Significant decreases in Federal and State grants as Transportation Enhancement and Program Open Space grants were realized this year
    - Federal Transportation funds one-time for Teachers Way

# REVENUE – CONTINUED

- Significant increase budgeted for Maryland Highway User revenues
- Photo Radar program collections are expected to rise (restricted use)
- Water Quality Protection Charge revenue will increase due to administrative changes
- Income Tax pass-through via Montgomery County is expected to increase per County projections

# REAPPROPRIATION

- FY '12 ended with over \$40 mm in unassigned fund balance
- Well in excess of the reserve policy
- Integrating some of these funds (\$3.3mm) into FY '14 budget to balance
- Analysis of other escrow and reserve account funds will begin this summer



# OPERATING BUDGET

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# OPERATING BUDGET

- Ultimate goal – restoration and/or maintenance of services to the highest reasonable level
- Budget reflects action items of FY 2014 Strategic Plan for:
  - City Administration
  - Communication
  - Community Services
  - Economic Development
  - Infrastructure & Facilities
  - Parks, Recreation & Culture
  - Planning & Development
  - Police Department
  - Sustainability
  - Transportation

# CITY ADMINISTRATION

- To attain desired levels of service, we propose new positions to support:
  - Community Services
  - Development Review
  - Recreation Programs
  - Facility Maintenance
  - Information Technology
  - Administration
- Continue funding to enhance service delivery through technology
- FY '14 plan includes a COLA & Merit increase for existing staff & additional funds for Police Step Plan

# COMMUNICATION

- Conducting third biennial Citizen Survey
- Outreach to encourage voter turnout for 2013 municipal elections
- Initiatives to maximize effectiveness of conversion to new website content management system and to educate public on its use

# COMMUNITY SERVICES

- Continued emphasis on providing broadest safety net possible through grant funding to nonprofit organizations & schools
- Enhance Bank on Gaithersburg program and support community-wide financial wellness initiatives
- Community celebration of Wells/Robertson House's 25<sup>th</sup> Anniversary



# ECONOMIC DEVELOPMENT

- Possible allocation of funds out of Economic Development Opportunities Fund for implementation of vision for Route 355 corridor
- Continued funding for Economic Development Opportunities Fund and the Toolbox program

# FACILITIES

- Maintenance and improvement of existing infrastructure remains a priority
- Address the previous reductions in funding of vehicle and equipment replacement schedules
- Focus on energy conservation and control of fuel and utility costs

# PARKS, RECREATION & CULTURE

- New developments in pipeline bring additional recreational space that will require both capital and operating expenditures over the next few years
- Reflects proposed modifications in large-scale special events
  - Celebrate Gaithersburg
  - Oktoberfest
  - Independence Day





# PLANNING & DEVELOPMENT

- Continuing full implementation of Energov with an emphasis on public access and transparency
- New positions related to permits and inspections, plan review, and neighborhood services
- Created a new Geographic Information Systems Division (within IT) in acknowledgement of the expanding role of GIS in our operations and decision-making

# POLICE DEPARTMENT

- Reflect equipment and training needs of additional personnel
- Target Enforcement Area Initiatives designed to reduce crime and vehicle collisions and to strengthen working relationships between police, citizens, and businesses

# SUSTAINABILITY

- Feasibility study on establishment of either a Storm Water Management Authority or an Enterprise Fund to administer both collections and projects
- Funding to complete municipal emissions tracking program and a second watershed plan
- Undertake the environmental elements update to the Master Plan in conjunction with recent Sustainable Maryland Certified designation

# TRANSPORTATION

- Includes projects within CIP, including Teachers Way
- Enhancement of bikeway infrastructure, especially around NIST property
- Continued emphasis on construction of Watkins Mill Interchange and the Corridor Cities Transitway (CCT)

# CAPITAL IMPROVEMENT PLAN

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# SHORT-TERM PROJECTS

- “Shovel ready” with direction to proceed:
  - James Street / Observation Park
  - Constitution Gardens
  - Design Work for Enhancement to the Public Service Facility
  - Second Phase Renovations for Existing Senior Center

# PRIORITIZED PROJECTS

- Proposed for FY '14 funding (including through reallocation):
  - Gaithersburg Police Station
  - Public Facilities and Parkland at Crown
  - Former Consumer Product Safety Commission Site
  - Quince Orchard Park / MedImmune

# OTHER MAJOR CIP INITIATIVES

- Proposed for FY '14 funding –
  - Design & construction of several Storm Water Management facilities
  - Synthetic field at Lakelands Park
  - Street Reconstruction & Resurfacing projects
    - Quince Orchard Boulevard from Diamond Drive to Firstfield Road
    - West Deer Park & vicinity
  - Robust program of Information Technology projects
  - Refurbishment projects at City Hall





# NEXT STEPS

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# PUBLIC INPUT & KEY DATES

- Public comment is invited -
  - By email - [cityhall@gaithersburgmd.gov](mailto:cityhall@gaithersburgmd.gov)
  - By phone - 301 258-6310
  - By mail - 31 South Summit Avenue  
Gaithersburg, MD 20877
- Budget Work Sessions scheduled for Monday, April 29 and Tuesday, April 30 (if needed)
- Budget Adoption scheduled for Monday, June 3





# **FY 2014 BUDGET PUBLIC HEARING**

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